EXHIBIT F

Fairfield Sigma Limited

Financial statements

for the years ended December 31, 2006 and 2005

Road Town, Tortola

British Virgin Islands

Contents

1 Directors and other information

1.1 Directors and other information

Board of directors
Mr Walter M. Noel, Jr.
Mr Jan R. Naess (non-executive director)
Mr Peter P. Schmid (non-executive director)

Registered office
Fairfield Sigma Limited
c/o Codan Trust Company (B.V.I.) Ltd.
P.O. Box 3140
Romasco Place, Wickhams Cay
Road Town, Tortola
British Virgin Islands

Administrator, registrar and transfer agent
Citco Fund Services (Europe) B.V.
Telestone 8 - Teleport
Naritaweg 165
1043 BW Amsterdam
The Netherlands

Bank
Citco Bank Nederland N.V., Dublin Branch
Customs House Plaza Block 6
International Financial Services Centre
P.O. Box 6639 Dublin - 1
Ireland

B.V.I. Counsel
Conyers Dill & Pearman
Romasco Place, Wickhams Cay 1
P.O. Box 3140
Road Town, Tortola
British Virgin Islands

Investment manager
Fairfield Greenwich (Bermuda) Ltd.
12 Church Street
Suite 606
Hamilton, Bermuda HM 11

Auditors
PricewaterhouseCoopers LLP
77 King Street, RT Tower
Toronto, Ontario
M5K 1G8
Canada

Legal advisor
DLA Piper LLP
1251 Avenue of the Americas
New York, New York 10620-1104
United States of America

Custodian
Citco Global Custody N.V.
6 Customs House Plaza Harbourmaster Plaza
Dublin 1
Ireland

2 Financial statements

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers LLP
Chartered Accountants
PO Box 82
Royal Trust Tower, Suite 3000
Toronto Dominion Centre
Toronto, Ontario
Canada M5K 1G8
Telephone +1 416 863 1133
Facsimile +1 416 365 8215

April 24, 2007

Report of Independent Auditors

To the Directors and Shareholders of
Fairfield Sigma Limited

In our opinion, the accompanying balance sheet and the related income statement and the statements of changes in net assets attributable to holders of redeemable participating shares and cash flow present fairly, in all material respects, the financial position of **Fairfield Sigma Limited** (the "Company") as of December 31, 2006 and the results of its operations, the changes in its net assets attributable to holders of redeemable participating shares and its cash flow for the year then ended in conformity with International Financial Reporting Standards. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these financial statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the Company's management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

Chartered Accountants, Licensed Public Accountants

2.2 Balance sheet as at December 31, 2006 and 2005

(All amounts in EUR unless otherwise stated)

	Notes	2006	2005
Assets			
Cash and cash equivalents	*2.6.2*	25,832,256	5,667,819
Balances due from brokers		4,610,606	3,281,012
Financial assets at fair value through profit or loss	*2.6.3*	461,006,970	324,178,635
Unrealized gains on forward foreign exchange contracts	*2.6.4*	704,531	-
Redemptions for redeemable participating shares paid in advance		1,245,620	-
Interest receivable		19,546	11,039
Total assets		493,419,529	333,138,505
Liabilities			
Unrealized losses on forward foreign exchange contracts	*2.6.4*	-	250,565
Subscriptions for redeemable participating shares received in advance		17,421,234	5,004,000
Redemptions from financial assets received in advance		492,462	-
Fees payable and accrued expenses	*2.6.7*	304,974	227,411
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		18,218,670	5,481,976
Net assets attributable to holders of redeemable participating shares	*2.6.8*	475,200,859	327,656,529
Total liabilities		493,419,529	333,138,505
Net asset value per share based on net asset value of 475,200,859 (2005: 327,656,529) and 2,707,785.03 (2005: 1,988,915.27) shares outstanding	*2.6.8*	175.49	164.74

The accompanying notes are an integral part of these financial statements.

2.3 Income statement for the years ended December 31, 2006 and 2005
(All amounts in EUR unless otherwise stated)

	Notes	2006	2005
Revenue			
Interest income		460,708	228,991
Net gains on financial assets and liabilities at fair value through profit or loss		25,300,039	18,020,264
Net gains/(losses) on currency exchange		(1,134,276)	26,690
Total investment income		24,626,471	18,275,945
Expenses			
Expense reimbursement	*2.6.9*	561,774	459,020
Administration fees	*2.6.9*	132,000	111,250
Legal and professional fees		22,319	27,119
Interest expense		106,312	170,715
Bank charges and commissions		25,875	23,177
Directors' fees	*2.6.9*	7,597	7,669
Other operating expenses		191,990	159,427
Total operating expenses		1,047,867	958,377
Change in net assets attributable to holders of redeemable participating shares resulting from operations		23,578,604	17,317,568

The accompanying notes are an integral part of these financial statements.

2.4 Statement of changes in net assets attributable to holders of redeemable participating shares for the years ended December 31, 2006 and 2005

(All amounts in EUR unless otherwise stated)

	Number of shares	EUR
Balances as at December 31, 2004	1,507,731.40	234,757,349
Issue of redeemable participating shares	1,008,939.73	160,269,427
Redemption of redeemable participating shares	(527,755.86)	(84,687,815)
Change in net assets attributable to holders of redeemable participating shares resulting from operations	-	17,317,568
Balances at December 31, 2005	1,988,915.27	327,656,529
Issue of redeemable participating shares	1,257,085.85	214,539,231
Redemption of redeemable participating shares	(538,216.09)	(90,573,505)
Change in net assets attributable to holders of redeemable participating shares resulting from operations	-	23,578,604
Balances at December 31, 2006	2,707,785.03	475,200,859

The accompanying notes are an integral part of these financial statements.

2.5 Cash flow statement for the years ended December 31, 2006 and 2005

(All amounts in EUR unless otherwise stated)

	2006	2005
Cash flow from operating activities		
Increase in net assets attributable to holders of redeemable participating shares from operations	23,578,604	17,317,568
Adjustment for:		
Interest income	(460,708)	(228,991)
Interest expense	106,312	170,715
Operating profit before working capital changes	23,224,208	17,259,292
Net increase in balances due from brokers	(1,329,594)	(982,569)
Net increase in financial assets at fair value through profit or loss	(136,828,335)	(100,549,418)
Net (increase)/decrease in unrealized gains/(losses) on forward foreign exchange contracts	(955,096)	3,012,590
Net decrease in prepayments for financial assets purchased	-	6,713,390
Net increase in redemptions from financial assets received in advance	492,462	-
Net increase in fees payable and accrued expenses	77,563	89,556
Cash used in operations	(115,318,792)	(74,457,159)
Interest received	452,201	221,725
Interest paid	(106,312)	(170,715)
Net cash used in operating activities	(114,972,903)	(74,406,149)
Cash flows from financing activities		
Increase in subscriptions for redeemable participating shares received in advance	12,417,234	2,415,039
Increase in redemptions for redeemable participating shares paid in advance	(1,245,620)	-
Issue of redeemable participating shares	214,539,231	160,269,427
Redemption of redeemable participating shares	(90,573,505)	(84,687,815)
Net cash from financing activities	135,137,340	77,996,651
Net increase in cash and cash equivalents	20,164,437	3,590,502
Cash and cash equivalents at beginning of the year	5,667,819	2,077,317
Cash and cash equivalents at end of the year	25,832,256	5,667,819

The accompanying notes are an integral part of these financial statements.

2.6 Notes to the financial statements as at December 31, 2006 and 2005

(All amounts in EUR unless otherwise stated)

2.6.1 General

Fairfield Sigma Limited (the "Company") is an open ended investment fund domiciled and incorporated in the British Virgin Islands as an international business company on March 19, 1997. The address of its registered office is: c/o Codan Trust Company (B.V.I.) Ltd., Romasco Place, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands.

The Company primarily invests in Fairfield Sentry Limited (or "FSL"). FSL is an open ended investment fund domiciled and incorporated under the provisions of The Mutual Funds Laws of the British Virgin Islands on October 30, 1990. The Company substantially invests its assets in voting shares of FSL. As at December 31, 2006 and 2005, the Company owns 10.82% (2005: 7.85%) of FSL.

Users of these financial statements should read them together with FSL's financial statements as at and for the years ended December 31, 2006 and 2005 in order to obtain full information on the financial position, results of operations and changes in financial position of the Company.

The investment manager of the Company is Fairfield Greenwich (Bermuda) Ltd. (the "Investment Manager"), a corporation organized under the laws of Bermuda. On March 27, 2006 the Investment Manager filed to become a registered investment advisor with the Securities and Exchange Commission. The registration became effective April 20, 2006.

The Investment Manager is also the investment manager of FSL, which is the Company's primary investment. FSL utilizes an options trading strategy, known as a "split strike conversion". In addition, the Investment Manager has allocated relatively small portions of FSL's assets to other strategies typically sub-advised by experienced personnel starting new businesses (the "Seedlings"). Allocations to Seedlings may never exceed, in the aggregate, 5% of FSL's net asset value at the time of the investment. It is anticipated that other allocations will be made to new investment vehicles, with no single allocation exceeding USD 50,000,000 at the time of the investment. Non-split strike conversion investments may also include strategic allocations to experienced managers in established funds.

The administrator of the Company is Citco Fund Services (Europe) B.V.

The Company has no employees.

The Company's financial statements were authorized for issue on April 24, 2007 by the board of directors.

2.6.2 Acounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

2.6 Notes to the financial statements as at December 31, 2006 and 2005
(All amounts in EUR unless otherwise stated)

The financial statements are prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Because of the inherent uncertainty of valuation for all fair value investments and interests, the estimate of fair value may differ from the values that would have been used had a ready market existed, and the differences could be material.

All references to net assets throughout this document refer to net assets attributable to holders of redeemable participating shares unless otherwise stated.

The balance sheet presents assets and liabilities in decreasing order of liquidity and does not distinguish between current and non-current items. All the Company's assets and liabilities are held for the purpose of being traded or are expected to be realized within one year.

Foreign currency translation

(a) Functional and presentation currency

The financial statements are prepared in euros (EUR), this being the Company's functional currency. Management has chosen EUR as the functional and presentation currency for the Company to reflect the fact that the issued ordinary shares of the Company are denominated in EUR.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Translation differences on non-monetary financial assets and liabilities such as equities at fair value through profit or loss are recognized in the income statement within the fair value net gain or loss.

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents include cash on hand, deposits held with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Due from brokers

Amounts due from brokers represent deposit amounts held with brokers as collateral for engaging into forward foreign currency contract transactions.

Financial assets at fair value through profit or loss

Management designates the Company's investment in FSL as financial assets at fair value through profit or loss at inception.

A financial asset or financial liability at fair value through profit or loss is a financial asset or financial liability that meets either of the following conditions:

(a) It is classified as held for trading. A financial asset or liability is classified as held for trading if it is:

(i) acquired or incurred principally for the purpose of selling or repurchasing it in the near

term;

(ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking or

(iii) a derivative

(b) Upon recognition it is designated by the entity as at fair value through profit or loss.

All other financial assets are classified as loans and receivables and valued at amortized cost. Other financial liabilities that are not at fair value through profit or loss or redeemable participating shares are classified as other liabilities and are valued at amortized cost using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Interest income is presented under net gains and losses on financial assets and liabilities at fair value through profit and loss.

Derivatives are currently employed to hedge USD exposure to the Company.

Regular-way purchases and sales of investments are recognized on trade date, which is the date the Company commits to purchase or sell the investment. Investments are initially recognized at cost. Transaction costs are expensed as incurred. Investments are derecognized when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Listed securities are valued at the last reported bid price if owned and asked price if sold short on the last business day of the valuation period.

Unlisted securities are valued at their fair values as determined by management in consultation with the Investment Manager in accordance with recognized accounting and financial principles. In this respect, investments in other investment companies are valued at the net asset value per share on the day of valuation as calculated by the related administrators, unless the directors are aware of good reasons why such valuation would not be the most appropriate indicator of fair value.

2.6 Notes to the financial statements as at December 31, 2006 and 2005
(All amounts in EUR unless otherwise stated)

Determination of gains or losses on financial assets and liabilities at fair value through profit or loss

Both realized and unrealized gains and losses on financial assets and liabilities at fair value through profit or loss are taken as income and expenses as incurred. Realized gains and losses on sales of financial assets and liabilities at fair value through profit or loss are calculated on a first-in-first-out basis. The difference between the cost and the fair value of financial assets and liabilities at fair value through profit or loss is reflected in the income statement as the change in unrealized gains or losses on investments.

Derivative financial instruments

Derivative financial instruments including forward currency contracts are initially recognized on the balance sheet at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value.

Fair values are primarily obtained from quoted market prices. All derivatives are carried in assets when amounts are receivable by the Company and in liabilities when amounts are payable by the Company. Changes in the fair values of derivatives are included in the income statement.

Initial margin deposits are made upon entering into forward contracts and are generally made in cash. During the period the contract is open, changes in the value of the contracts are recognized as unrealized gains or losses by 'marking-to-market' on a daily basis to reflect the market value of the contract at the end of each day's trading.

Variation margin payments are made or received, depending upon whether unrealized losses or gains are incurred. Unrealized gains are reported as an asset and unrealized losses are reported as a liability in the balance sheet. When the contract is closed, the Company records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Company's basis in the contract.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported on the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Redeemable participating shares

A continuous offering of redeemable participating shares is taking place and participating shares will be issued on the first business day of each month at a price equal to the net asset value per participating share computed on the immediately preceding valuation date (being the last business day of each calendar month and such other days as the directors may determine). The minimum initial investment per subscriber is EUR 200,000. Following this initial investment, a shareholder may make additional investments in amounts of not less than EUR 75,000.

Redemptions of redeemable participating shares can be made on the last business day of each month (the "Valuation Date") at a price equal to the net asset value of that month upon at least 15 calendar days notice prior to the Valuation Date.

The net asset value of shares for any valuation date is determined by dividing the value of the assets of the Company less its liabilities at the close of business on such Valuation Date, by the number of shares outstanding at that date.

2.6 Notes to the financial statements as at December 31, 2006 and 2005
(All amounts in EUR unless otherwise stated)

The Company issues redeemable shares, which are redeemable at the holder's option and are classified as financial liabilities. Redeemable shares can be put back to the Company at any time for cash equal to a proportionate share of the Company's net asset value. The redeemable share is carried at the redemption amount that is payable at the balance sheet date if the holder exercises the right to put the share back to the Company.

In accordance with the provisions of the Company's regulations, investment positions are valued based on the last traded market price for determining the net asset value per share for subscriptions and redemptions.

Subscriptions for redeemable participating shares received in advance represent monies received by the Company before the Company's dealing date for redeemable participating shares to be issued.

Interest income and expense

Interest income and expense are recognized in the income statement on an accrual basis.

Expenses

Expenses are accounted for on an accrual basis.

Taxation

Under current laws of the British Virgin Islands, there are no income, estate, transfer, sales or other British Virgin Island taxes payable by the Company. Generally, the Company intends to conduct its affairs so as not to be liable to taxation in any other jurisdiction; however, the Company may invest in securities whose income is subject to non-refundable foreign withholding taxes.

Redemptions payable

The Company has received redemption notices in as of December 31, 2006. These amounts are included in net assets attributable to holders of redeemable participating shares and are not reflected as redemptions for redeemable participating shares payable. The amount of net assets attributable to holders of redeemable participating shares at December 31, 2006 subject to redemption notices which have been received is 6,965,861 (2005: 6,613,500)

2.6.3 Financial assets at fair value through profit or loss

As at December 31, 2006 and 2005, the Company's financial assets at fair value through profit or loss comprised the following:

	2006			2005		
	Shares	Value	% of total net assets	Shares	Value	% of total net assets
Funds						
Fairfield Sentry Ltd.	505,696.86	461,006,970	97.01	348,983.64	324,128,635	98.94

2.6.4 Derivative financial instruments

As at December 31, 2006 the Company had the following outstanding derivative foreign currency contracts:

	Bought amount		Sold amount	Maturity date	Unrealized gain/(loss)
USD	15,044,590	EUR	11,400,000	01/02/2007	(4,237)
EUR	483,198,604	USD	637,641,830	01/25/2007	708,768
					704,531

As at December 31, 2005 the Company had the following outstanding derivative foreign currency contracts:

	Bought amount		Sold amount	Maturity date	Unrealized gain/(loss)
EUR	66,277	USD	78,650	01/25/2006	(47)
EUR	326,499,397	USD	387,481,322	01/25/2006	(250,518)
USD	1,008,759	EUR	850,000	01/25/2006	-
					(250,565)

2.6.5 Risks associated with financial instruments

The Company's investment activities expose it to the various types of risks taken by the Company and the money managers of the underlying fund, which are associated with the financial instruments and markets in which they invest. The following summary is not intended to be comprehensive of all risks.

Interest rate risk

The Company is exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

Market price risk

The Company's investments and financial instruments are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Company's overall market positions are monitored routinely by the Investment Manager and reviewed monthly by the board of directors.

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company. Financial assets, which potentially expose the Company to credit risk, consist principally of cash due from brokers and receivables for

investments sold.

The Company's cash balances are primarily with high credit quality, well established financial institutions. The extent of the Company's exposure to credit risk in respect of these financial assets approximates their carrying value as recorded on the Company's balance sheet.

Liquidity risk

A lack of liquidity may result from limited trading opportunities. The Company substantially invests in FSL, which has monthly liquidity.

Currency risk

The Company may invest in assets denominated in currencies other than its reporting currency, the Euro. Consequently, the Company is exposed to risks that the exchange rate of the Euro relative to other currencies may change in a manner, which has an adverse effect on the reported value of that portion of the Company's assets, which are denominated in currencies other than the Euro.

The Company hedges its net assets denominated in other currencies than its reporting currency by entering into forward foreign currency contracts.

The table below summarizes the Company's exposure to currency risk.

As at December 31, 2006 (All amounts in EUR)

	EUR	USD	Total
Assets			
Cash due from banks and brokers	17,621,983	12,820,879	30,442,862
Financial assets at fair value through profit or loss	-	461,006,970	461,006,970
Other assets	1,245,620	724,077	1,969,697
Total assets	18,867,603	474,551,926	493,419,529
Liabilities			
Financial assets at fair value through profit or loss	-	-	-
Other liabilities	(18,091,590)	(127,080)	(18,218,670)
Total liabilities (excluding net assets attributable to holders of participating redeemable shares)	(18,091,590)	(127,080)	(18,218,670)

As at December 31, 2005 (All amounts in EUR)

	EUR	USD	Total
Assets			
Cash due from banks and brokers	3,765,769	5,183,062	8,948,831
Financial assets at fair value through profit or loss	324,178,635	-	324,178,635
Other assets	11,039	-	11,039
Total assets	327,955,443	5,183,062	333,138,505

2.6 Notes to the financial statements as at December 31, 2006 and 2005

(All amounts in EUR unless otherwise stated)

	EUR	USD	Total
Liabilities			
Financial assets at fair value through profit	-	-	-
or loss	250,565	-	250,565
Other liabilities	99,166	5,132,245	5,231,411
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)	349,731	5,132,245	5,481,976

Off-balance sheet risks

An off-balance sheet market risk exists when the maximum potential loss on a particular investment is greater than the value of such investments as reflected in the Company's balance sheet.

Off-balance sheet credit risk exists, among other situations, when the collateral received by the Company or the money manager is insufficient to cover losses, which may result from a counterparty's failure to fulfil its obligation under contracts with the Company or the money manager.

As at December 31, 2006 and 2005, the Company had no significant off-balance sheet risks other than the off-balance sheet risks resulting from the forward foreign exchange contracts as described above.

2.6.6 Specific instruments

Forwards

Forward contracts are commitments either to purchase or sell a designated financial instrument, currency, commodity or an index at a specified future date for a specified price and may be settled in cash or another financial asset. Forward contracts result in credit exposure to the counterparty. Forward contracts result in exposure to market risk based on changes in market prices relative to contracted amounts. Market risks arise due to the possible movement in foreign currency exchange rates, indices, and securities' values underlying these instruments.

In addition, because of the low margin deposits normally required in relation to notional contract sizes, a high degree of leverage may be typical of a forward trading account. As a result, a relatively small price movement in an underlying of forward contract may result in substantial losses to the Company. Forward contracts are generally subject to liquidity risk.

Notional amounts are the underlying reference amounts to foreign currencies upon which the fair value of forward contracts traded by the Company are based.

While notional amounts do not represent the current fair value and are not necessarily indicative of the future cash flows of the Company's forward contracts, the underlying price changes in relation to the variables specified by the notional amounts affect the fair value of these derivative financial instruments.

2.6.7 Fees payable and accrued expenses

	2006	**2005**
Expense reimbursement	171,195	122,950
Legal and professional fees	33,228	23,461
Custody fees	54,672	41,058
Other accounts payable and accrued expense	45,879	39,942
	304,974	227,411

2.6.8 Redeemable participating shares

The authorized redeemable participating shares of the Company is EUR 50,000 divided into 5,000,000 ordinary shares. As at December 31, 2006 there were 2,707,785.03 (December 31, 2005: 1,988,915.27) redeemable participating shares issued and fully paid.

Each redeemable participating share entitles the holder to one vote and to receive such dividends as declared by the directors and to participate upon liquidation on a proportional basis. The dividend policy is determined by the directors and the current policy is directed towards capital appreciation.

The Company will not accept a subscription tendered at a time when the number of its outstanding shares is 5,000,000.

2.6.9 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Management fees

The Investment Manager of the Company receives no management fee or performance fee. Any fees incidental to the investments in FSL shall be paid to the manager by FSL.

The Company pays Fairfield Greenwich Advisors LLC ("FGA"), an affiliate of the Investment Manager, an annual expense reimbursement charge of fifteen basis points, payable quarterly in an amount equal to one-thirty seventh and one half of one percent (0.0375%) of the Company's Net Asset Value as of the last day of each calendar quarter, for providing certain administrative services and back-office support to the Company. FGA receives a similar reimbursement from FSL for providing administrative services and back-office support to FSL.

Directors' fees

The directors not affiliated with the Investment Manager, of which there are at the present time two, will each be paid a fee of USD 5,000 (2005: USD 5,000) per annum by the Company together with out-of-pocket expenses made in attending meetings of the board of directors or of shareholders. The directors received a remuneration of EUR 7,597 for the year 2006 (2005: EUR 7,669).

Mr. Walter M. Noel, Jr., a director of the Company is also a principal officer and director of Fairfield Greenwich Limited. The Investment Manager is a wholly owned subsidiary of Fairfield Greenwich Limited.

Administration fees

The Company pays to the administrator a monthly fee based on the net asset value of the Company as of the last business day of the month. The administrator will also be reimbursed for all disbursements and reasonable expenses incurred in the performance of its duties as detailed in the administrative services agreement.

Custody fee

The Company pays custody fees quarterly in arrears in accordance with the custody agreement. The custody fee will be accrued on a monthly basis. The custodian will charge the Company a transaction fee per transfer, subscription, purchase, sale or redemption of FSL. Custody fees are included in other operating expenses on the income statement.

Investments made during the year in FSL are as follows:

	2006 USD	2005 USD
Trading securities bought	222,871,437	118,989,707
Trading securities sold	39,381,659	67,816,246

2.6.10 Line of Credit

The Company obtained a credit facility from an investment bank on January 21, 2006. The credit facility may not exceed the lesser of USD 30,000,000 or 15% of the Net Asset Value.

The outstanding principal bears an interest percentage of 2.5% per annum above the Federal Funds Effective Rate. Interest will be charged quarterly and will be calculated on the basis of a 360-day year and actual days elapsed.

The facility is generally used only when there is a realized treasury loss on the forward currency (hedging) contract. The facility is generally paid off within 60 days. As at December 31, 2006 and 2005, there were no amounts due under the credit facility.

2.6 Notes to the financial statements as at December 31, 2006 and 2005
(All amounts in EUR unless otherwise stated)

2.6.11 Reconciliation IFRS – US GAAP

As the Company is managed by an SEC registered investment advisor, it is required that the Company issues its financial statements in accordance with United States generally accepted accounting principles (US GAAP) or otherwise presents a reconciliation to US GAAP in the financial statements.

The Company has elected to prepare the financial statements in accordance with IFRS. Accordingly, a reconciliation of the net assets attributable to holders of redeemable participating shares under US GAAP was completed and there were no differences noted as at December 31, 2006 and 2005.

Valuation of investments against closing price

IFRS requires that financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices. US GAAP requires both financial assets as well as financial liabilities to be priced at the last quoted sales prices. As at December 31, 2006 and 2005 there is no material difference between net assets attributable to holders of redeemable participating shares based on IFRS and US GAAP.

2.6.12 Financial highlights

Pursuant to the AICPA Audit and Accounting Guide, *Audits of Investment Companies*, non-public investment companies are required to disclose certain financial highlights related to investment performance and operations. These financial highlights include the total return and net investment income and expense ratios and per share operating performance for the period ended December 31, 2006 and 2005 for the Company based on US GAAP.

Based on US GAAP	**2006**	**2005**
Ratio of net investment loss to average net assets	(0.16%)	(0.24%)
Ratio of operating expenses and performance fee to average net assets:		
• Operating expense	0.25%	0.31%
Total operating expenses and performance fees	0.25%	0.31%

The computation of the above-mentioned ratios based on the amount of operating expenses and performance fee assessed to an individual investor's equity may vary from these ratios based on the timing of capital transactions.

2.6 Notes to the financial statements as at December 31, 2006 and 2005
(All amounts in EUR unless otherwise stated)

Based on US GAAP	2006	2005
Total return:		
• Total return before performance fee	6.53%	5.81%
Total return after performance fees	6.53%	5.81%

Total returns stated above are the total returns for the Company as a whole before and after performance fees based on the total capital subscriptions and redemptions and the change in net asset value during the years for the Company.

Based on US GAAP	2006	2005
Per share operating performance		
Net asset value, beginning of period	164.74	155.70
Net investment loss	(0.27)	(0.38)
Net realized and unrealized gains on transactions	11.02	9.42
Total from investment operations	10.75	9.04
Net asset value, end of period	175.49	164.74

The schedule above provides a breakdown of the increase in net asset value per share into the net investment loss and net realized and unrealized gains on transactions.

2.6.13 Post-balance sheet events

There were no material post-balance sheet events which have a bearing on the understanding of the financial statements.